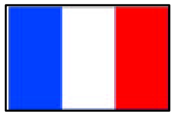


France

ECONOMY. The French economy led the Euro zone for much of the last few years with growth rates above 3%. Even during the slowdown and recession in 2000 and 2001, contraction began in France later than most other advanced economies. Further, the downturn appears to have been less severe than elsewhere. In addition, growth in incomes has significantly outpaced inflation, meaning higher income for French consumers. However, although unemployment has fallen in recent years, labor market rigidity remains a problem and unemployment remains between 9.0% and 9.5%. As in Germany, growth rates will likely be sluggish through 2002 before rebounding in 2003.

EXCHANGE RATE. Transition to the Euro has been easier in France than elsewhere in the Euro zone. However, because of the interconnected relationship between the large European economies and their inability to sustain growth in the wake of a US slowdown, the Euro has struggled against the U.S. dollar. Nonetheless, the Euro has recently risen to near parity with the U.S. dollar. If the equitable exchange rate is sustained, demand for U.S. travel should increase as the relative cost of travel to the U.S. declines.

LANGUAGE RESOURCES. The French consumer is highly individualistic and because familiarity with English is limited, many French travelers prefer to book vacations via travel trade. Making information available to travel agencies in French is crucial to establish demand, since even those interested in FIT travel usually obtain information from trade organizations before booking on their own.

TECHNOLOGY APTITUDE. Internet use has not increased in France like in other developed countries, despite having relatively low access costs. Likewise, a smaller percentage of French households own computers and mobile phones than elsewhere in Europe. This makes traditional information distribution outlets more important in France than elsewhere.

SEASONS & SEGMENTS. Three types of holidays dominate French outbound travel: touring, sun & beach, and city holidays. A government mandated reduction in hours worked per week (from 39 to 35) has encouraged more short breaks. This has led to a corresponding decline in long-haul travel as more vacations are being made to closer destinations. Nonetheless, Utah's national parks remain the primary attraction for French tourists to the state.

HISTORIC VISITATION. France remains the third largest European market for travel to the U.S. and in 1998 surpassed one million arrivals. The U.S. is the preferred long-haul destination among French travelers, and although the number of arrivals is still growing, the U.S. has lost significant market share to emerging destinations in North Africa and Southeast Asia. There is conflicting information regarding French visitation to Utah. Official estimates indicate a decline in the number of French arrivals to the state over the past few years, consistent with the trend to shorter vacations. However, anecdotal evidence from many sources suggest that actual visitation has not declined and may have even increased in recent years, particularly among FIT travelers interested in outdoor recreation and soft adventure activities.

SOCIAL & POLITICAL FACTORS. The most significant factor altering travel patterns in France is the change in the structure of the work week. Although most French workers enjoy five weeks of paid vacation time, the reduction in the work week is encouraging quick getaways to close destinations, including other locations in France, Spain, and North Africa. In addition, the recent gains in income levels combined with the change in demographics have prompted a surge in second-home buying. The popularity of second homes has dampened demand for long-haul travel among some segments, especially the 50+ segment.

OLYMPIC INTEREST. Since the first Winter Olympic Games, interest in the Games has been high in France. French athletes did reasonably well in Salt Lake, earning a total of 11 medals. However, the real interest among French viewers was generated from two high profile controversies. The first was the bid scandal that involved skiing icon and IOC member Jean Claude-Killy and the second involved the French pairs figure skating judge. Both events captured the public interest and received large amounts of coverage in the country. French television estimates suggest over 37 million people watched just over seven hours of Olympic coverage during the Games.

DISTRIBUTION INFRASTRUCTURE. Nearly half of all French travelers to Utah in recent years have arrived as part of a packaged tour. However, FIT travel is rapidly increasing, particularly among the adventure enthusiasts who have discovered Utah's southern recreation destinations. Delta Airline's alliance with Air France provides convenient connecting-flight options for French travelers to Utah, although no direct flights are available to either Salt Lake City or Las Vegas.

UTAH VISITORS FROM FRANCE SUMMARY - 1997-1999*

Utah Division of Travel Development

DEMOGRAPHICS

AGE (years)	
Averare Age (mean)	44.0
18-34 Years	23%
35-54 Years	63%
55+ Years	14%

HOUSEHOLD INCOME ($US)	
Average HH Income	$68,000
< $40,000	28%
$40,000 - $80,000	42%
$80,000 - $120,000	18%
$120,000+	13%

PARTY COMPOSITION	
Avg. Travel Party (mean)	2.5
Spouse	49%
Family/Relatives	38%
Friends	17%
Tour Group	13%
Traveling Alone	11%
Business Associates	5%
Adults Only	84%
Adults and Children	16%

GENDER	
Men	68%
Women	32%

FREQUENT TRAVELERS	
Repeat Visitor to the U.S.	59%
U.S. Trips last 12 Months	1.7
U.S. Trips last 5 Years	4.0
1 Trip	51%
2 - 5 Trips	34%
5+ Trips	15%

OTHER DESTINATIONS VISITED	
# of States Visited	3.9
# of Destinations Visited	5.7
California	80%
San Francisco	66%
Los Angeles	50%
Yosemite N.P.	19%
Nevada	74%
Las Vegas	70%
Arizona	72%
Grand Canyon N.P.	41%
Phoenix	19%
Tuscon	8%
New Mexico	11%
Albuquerque	8%
New York	10%
New York City	10%
Colorado	6%
Florida	6%

TRAVEL PATTERNS

ADVANCE TRIP DECISION	
Advance Trip Decision	131 Days
Advance Air Reservations	83 Days
Use of Pre-Booked Lodging	70%

USE OF PACKAGES	
YES	46%
Air/Lodging	33%
Guided Tour	28%
Air/Lodging/Tour	19%
Air/Lodging/Rental Car	17%
Air/Rental Car	16%
Air/Lodging/Bus	14%
Air/Lodging/Bus/Tour	14%
Advance Package Booking	91 Days
# of Nights Pre-paid as Part of a Package	13.6

INFORMATION SOURCES	
Travel Agency	75%
Airlines Directly	15%
Friends/Relatives	13%
Travel Guides	12%
Newspapers/Magazines	9%
Tour Company	8%
Personal Computer	4%
Corporate Travel Dept.	3%
Other	5%

ACCOMMODATIONS	
Hotel/Motel	89%
Private Home	3%
Other	9%

TRANSPORTATION IN U.S.	
Rented Auto	55%
Airlines in U.S.	41%
Taxi/Cab/Limousine	20%
Company or Private Auto	20%
City Subway/Tram/Bus	18%
Bus Between Cities	17%
Other	7%

LENGTH OF STAY	
# of Nights In UT (mean)	3.0
# of Nights in US (mean)	18.8

UTAH DESTINATIONS VISITED	
Bryce Canyon N.P.	35%
Monument Valley	23%
Salt Lake City	12%
Zion N.P.	11%
Glen Canyon	11%

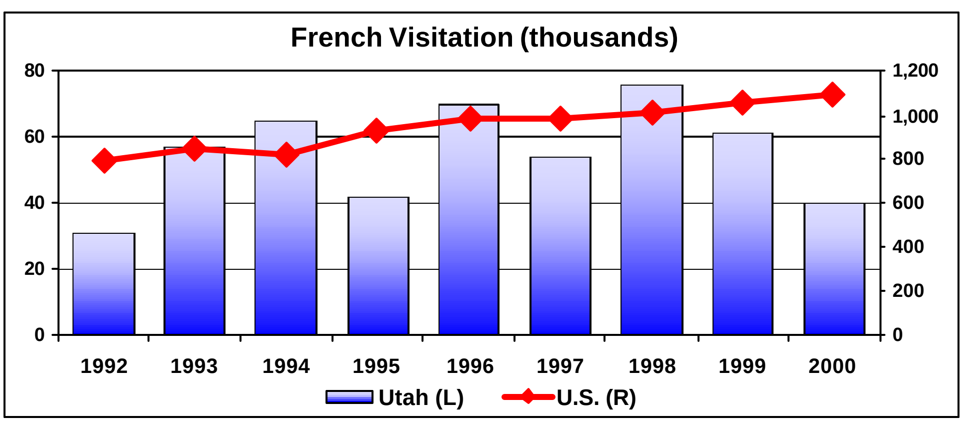
PURPOSE/ACTIVITIES

PURPOSE OF TRIP	
Leisure & VFR	75%
Leisure/Rec./Holidays	71%
Visit Friends/Relatives	2%
Religious Pilgrimage	1%
Business & Convention	26%
Business/Professional	16%
Convention/Conference	9%
Study/Teaching	1%

PORT OF ENTRY	
Los Angeles	19%
San Francisco	14%
New York	11%
Philadelphia	9%

LEISURE ACTIVITIES	
Visit National Parks	88%
Shopping	84%
Dining in Restaurants	75%
Casinos/Gambling	68%
Sightseeing in Cities	62%
Visit Small Towns	57%
Visit Historic Places	55%
Amusement/Theme Parks	46%
Guided Tours	34%
Visit Am. Indian Comm.	34%
Cultural or Heritage Sites	33%
Art Gallery/Museum	32%
Touring Countryside	29%
Environ./Eco Excursions	28%
Water Sports/Sunbathing	18%
Camping/Hiking	14%
Ethnic Heritage Sites	11%
Nightclubs/Dancing	9%
Concert/Play/Musical	3%
Attend Sports Event	2%
Ranch Vacations	2%
Cruises	2%
Snow Skiing	1%
Golfing/Tennis	1%
Hunting/Fishing	1%

PERFORMANCE	
Total Int'l. Visitation (000s)	61
Market Share	5.8%
Avg. Spending Per-Visitor-Per-Day (mean)	$71



SOURCE: OTTI, U.S. Department of Commerce